

CORE EQUITY MAINTENANCE PLAN

Assessing the Risk

NAVAL SEA SYSTEMS COMMAND
SUPSHIP GULFCOAST

6/19/2007

RM DUBE

WHO ARE WE?

- NAVSEA GULFCOAST
- Sharing our approaches to Knowledge Retention
- We have an aging workforce challenge
- This challenge is an industry-wide problem

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Introduction

Approximately 71% of the U.S. Government's current permanent employees will be eligible for either regular or early retirement by 2010.

At that time 40 percent of those employees are expected to retire.

Introduction (cont'd)

From a macroeconomic perspective, the outlook is equally alarming.

During the next 30 years, more than 61 million Americans will retire.

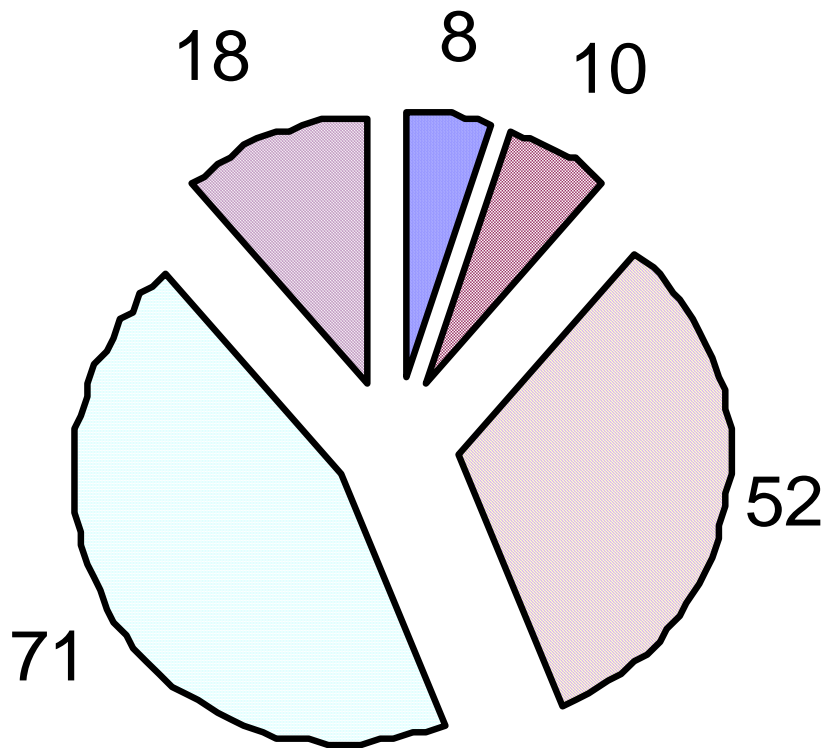
If present trends continue, America will experience a labor shortage of 4.8 million workers over the next 10 years; 19.7 million over the next 20 years; and *35.8 million over the next 30 years.*

WHO IS IN CHARGE?

- **NOBODY**
- **EVERYBODY**

NAVSEA GULFCOAST AGING WORKFORCE PROFILE

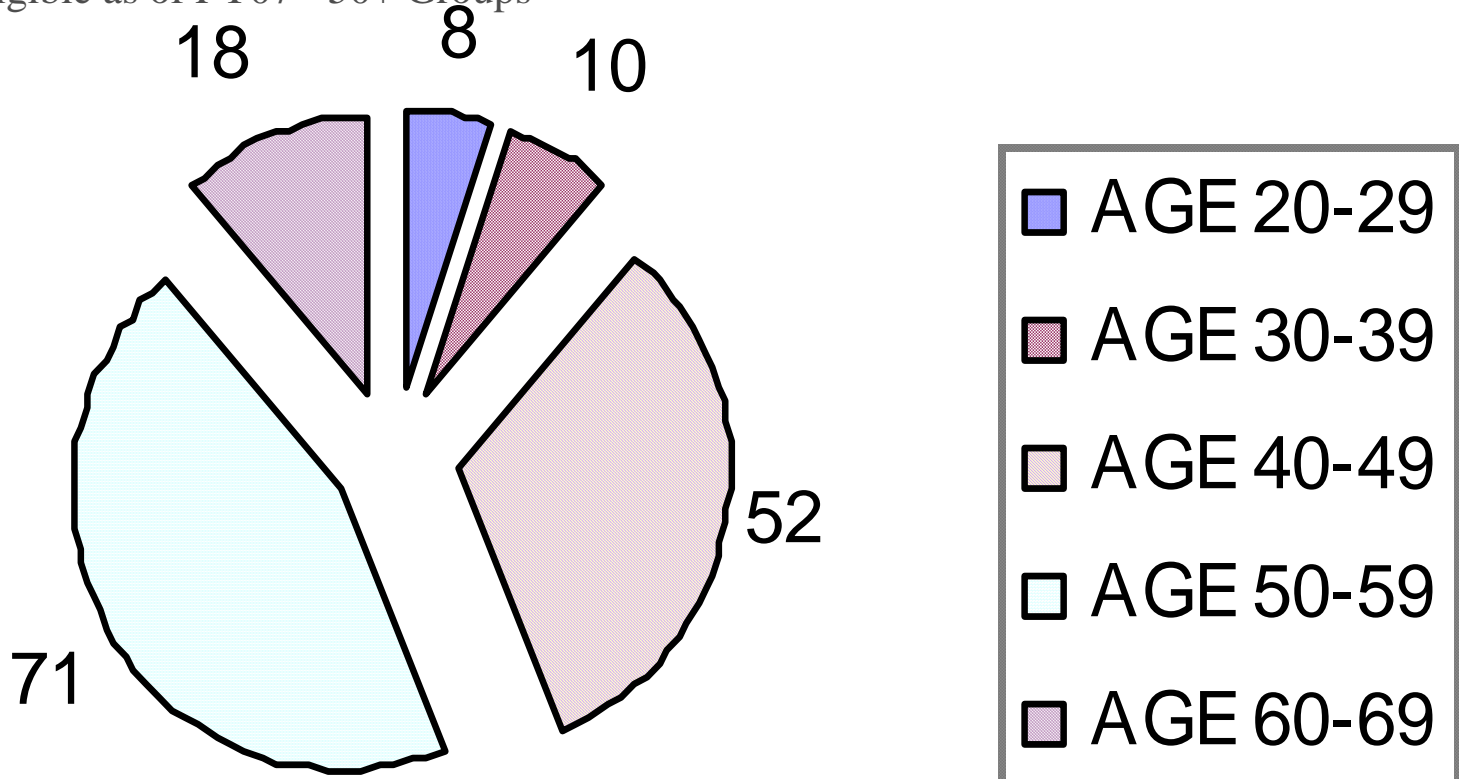
8% Retirement Eligible Today
37% Retirement Eligible as of FY07



- AGE 20-29
- AGE 30-39
- AGE 40-49
- AGE 50-59
- AGE 60-69

NAVSEA GULFCOAST AGING WORKFORCE PROFILE

8% Retirement Eligible Today - Command
37% Retirement Eligible as of FY07 - Command
64% Retirement Eligible as of FY07 - 50+ Groups



Challenges - Objectives

- **Build a business case to address:**
 - building a knowledge-sharing culture in the organization
 - bringing new hires up to speed more quickly
 - capture valuable knowledge as employees leave the organization
 - capture project lessons learned for re-use
 - prevent loss of technical knowledge; and
 - provide newer/younger employees access to more experienced/knowledgeable employees

The Knowledge Retention Process

- Three main questions:
 - 1. Specifically, what knowledge is being lost?
 - 2. What are the business consequences of losing each item of knowledge?
 - 3. What can we do about each item?
- *What? So What? Now What?*

THE PROCESS

- WHAT - We identified Positions & People
- WHAT - We identified Knowledge & Skills
- SO WHAT - We are assessing Risk & Subsequently Prioritizing Knowledge & Skills
- NOW WHAT - Won't know until the risk assessment is complete. Next-step will be to select and resource our responses.

Facing the Attrition Challenge

Critical Management Issues

- Focusing on the critical positions where knowledge loss is the greatest threat
- Identifying and prioritizing the specific knowledge and skills at risk
- Developing concrete, actionable responses to mitigate this loss

Specifically, what knowledge & capability is being lost?

- Find out who is retiring and when:
 - Age/tenure
 - Supervisor Estimate
 - Employee-provided data
- Assess potential impact if knowledge is lost

At Risk Assessment

- “At Risk Assessment” designed to identify positions/people where the potential knowledge-capability loss is greatest and most imminent.
- Ratings of:
 - - Time until Retirement
 - - Position Criticality
- Provides initial focus. Identifies positions where steps to mitigate knowledge-capability loss may be needed.

“At Risk Assessment” Guidelines

- **Retirement Factor** - The projected retirement dates in the DCPDS (whether based upon employee estimates or calculated based on age and tenure data).
- **Position risk Factor** - An estimate of the difficulty or level of effort required to replace the position incumbent. Managers/supervisors are responsible for making these ratings.
- Retirement Factor x Position Risk Factor =
Total Attrition Factor

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Retirement Factor

- The projected retirement dates in the DCPDS:
 - - 5 - Projected retirement date within 1 year
 - - 4 - Projected retirement date within 1 to 2 years
 - - 3 - Projected retirement date within 2 to 3 years
 - - 2- Projected retirement date within 3 to 5 years
 - - 1- Projected retirement date is greater than 5 years

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Position Risk Factor - 5

- Critical and unique knowledge, capability & skills. Mission-critical knowledge/skills with the potential for significant reliability or safety impacts. NAVSEA or SUPSHIPS or Project site-specific knowledge. Knowledge undocumented. Requires 3-5 years of training and experience. No ready replacements available.

Position Risk Factor - 4

- Critical knowledge, capability & skills. Mission-critical knowledge/skills. Some limited duplication exists on other projects or work areas and/or some documentation exists. Requires 2-4 years of focused training and experience.

Position Risk Factor - 3

- Important, systematized knowledge and skills. Documentation exists and/or other personnel on-site possess the knowledge/skills. Recruits generally available and can be trained in 1 to 2 years.

Position Risk Factor - 2

- Proceduralized or non-mission critical knowledge, capabilities and skills. Clear, up-to-date procedures exist. Training programs are current and effective and can be completed in less than one year.

Position Risk Factor - 1

- Common knowledge, capabilities and skills. External hires possessing the knowledge/skill are readily available and require little additional training.

Total Attrition Factor - An estimate of the effort and urgency necessary to effectively manage the attrition

- *Retirement Factor x Position Risk Factor = Total Attrition Factor*
- **20-25 High Priority.** Immediate action needed. Specific replacement action plans with due dates will be developed to include: method of replacement, knowledge management assessment, specific training required, on-the-job training/shadowing with incumbent.

Total Attrition Factor - An estimate of the effort and urgency necessary to effectively manage the attrition

- *Retirement Factor x Position Risk Factor = Total Attrition Factor*
- **16-19 Priority.** Staffing plans should be established to address method and timing of replacement, recruitment efforts, training, shadowing with current incumbent.

Total Attrition Factor - An estimate of the effort and urgency necessary to effectively manage the attrition

- *Retirement Factor x Position Risk Factor = Total Attrition Factor*
- **10-15 High Importance.** Look ahead on how the position will be filled/work be accomplished. College recruiting, training programs, process improvements, reinvestment.
- **1-9 Important.** Recognize the functions of the position and determine the replacement need.

What Are the Business Consequences?

- What is the relative importance of this knowledge?
- What is the relative immediacy of losing this knowledge?
- What is the cost and feasibility of recovery for this knowledge loss?
- How difficult is it to transfer this knowledge?

Workforce Planning

180.1	Motor Vehicle Operator	Driver	5307	WG-08				Bldg 16
181	Security Officer	Security Func.	0080	GS-12				COE
181.1	Security Specialist	Security Func.	0080	GS-09				COE
183	Supv. Computer Specialist	ADP Admin.	0334	GS-12				Bldg 16
183	Computer Specialist	ADP Security	0334	GS-11				Bldg 16
183	Computer Specialist	System Admin.	0334	GS-11				Bldg 16
183	Computer Specialist	System Admin.	0334	GS-11				Bldg 16
185	Supv. Mgmt. Analyst	Personnel Admin	0343	GS-11				Bldg 16
185S	Management Asst.	Admin. Support	0344	GS-06				Bldg 16
185.1	Management Analyst	Personnel Admin	0343	GS-09				Bldg 16
185	Management Analyst	Personnel Admin	0343	GS-12				Bldg 16
185	Management Analyst	Personnel Admin	0343	GS-7/9				Bldg 16
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Workforce Planning (Cont'd)

Retirement Type	Retirement-Full Benefits	Retirement Factor	Position Risk Factor	Total Attrition Factor	FY Ret. Elg/ Mil PRD	Reimburs	CA/ NMCI	Intern	Ladr	Temp	Military	Acq Work Force	FY02					FY03					FY04
													Mission/EOB	Reimbursable	Other	Military	Retirement Eligible	Mission/EOB	Reimbursable	Other	Military	Retirement Eligible	Mission/EOB
FERS	3/15/03	1	5	5	FY03								1					1				1	1
CSRS	3/18/03	5	1	5	FY03		CA						1					1				1	1
		5	5	25									1					1					1
CSRS	3/28/16	1	5	5	FY16								1					1					1
FERS	11/18/10	1	5	5	FY11								1					1					1
CSRS	3/10/02	5	4	20	FY02		NMCI						1		1			1					1
FERS	6/21/18	1	3	3	FY18		NMCI						1					1					1
FERS		1	3	3	FY16		NMCI						1					1					1
CSRS	10/25/15	1	3	3	FY16								1					1					1
FERS	2/1/16	1	2	2	FY16		CA		Y				1					1					1
CSRS	10/12/06	2	3	6	FY07								1					1					1
		1	3	3									1					1					1

Workforce Competencies

Competency	Have Now	Needed Now	Required in Future
<p><u>Quality Assurance</u> - Insures all facets of work performed meet contract standards; prepares written detailed discrepancy reports of instances of failure of the contractor's quality assurance/inspection process; witnesses critical evolutions, tests and proc</p>			
<p><u>Shipboard Electrical Cableway</u> - Knowledge in Navy electrical power and distribution systems; Navy electrical cableway program requirements; commercial (IEEE and CFR) electrical codes, specifications, and requirements; SUPSHIP installation test and trials</p>			
<p><u>Welding and Allied Processes</u> - Assures contractor compliance to the Navy and commercial welding, brazing, and allied processes specifications and standards; reviews and approves contractor welding procedures, performs procedure reviews, conducts independe</p>			
<p><u>Nondestructive Testing and Evaluation (NDT&E)</u> - Technical experience and knowledge in at least two of the five major nondestructive testing methods of Visual Testing (VT); Magnetic Particle Testing (MT); Liquid Penetrant Testing (PT); Radiographic Testing</p>			

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What Can Possibly Be Done?

- Training?
- Codification and documentation?
- Engineer it Out?
- Alternative Resources?

TRAINING

- Is formal classroom training needed to transfer the knowledge?
- Computer or video based or other?
- On-the-job training? Targeted work assignments
- Coaching, mentoring, shadowing
- Apprenticeship programs
- A blended solution of all of the above

CODIFICATION AND DOCUMENTATION

- Do documentation or procedures already exists? Are they Current? Accessible? Generally Known?
- Can tacit knowledge be made explicit?
- Checklists? Inventories? Short-Cut sheets?

ENGINEER IT OUT

- Can the process be improved to eliminate the need for this knowledge?
- Change materials or update equipment?
- Smarter tools and equipment?
- Is this activity, product, or service really needed? Is it core?

ALTERNATIVE RESOURCES

- Is it appropriate to establish and share a designated expert?
- Rotational or visiting staff?
- Multi-skilled or Cross-trained staff?
- Contractors, consultants, or retirees???
- Communities of Practice? Centers of Excellence?
Other networks?

What Lessons Have Been Learned by Others?

- Less at risk knowledge than suspected
- Risk is greatest in technical/operational positions and in problem solving strategies
- Redesign/re-engineering opportunities emerge
- Process drives establishment of Communities of Practice, Centers of Excellence, and other KM responses.

WHERE ARE WE NOW?

- KNOWN vs UNKNOWN
- COMPLIMENTS:
 - ORG STRATEGY
 - CHANGE INITIATIVES
 - * Lean Manufacturing/Six-Sigma
 - * Risk Management
 - * Human Resource Strategy
 - * Performance Excellence
- EFFICIENCY/EFFECTIVENESS

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DO DIFFERENTLY

QUESTIONS/DISCUSSION

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